(b) if so, what is the extent to which this has been realised, so far; and

(c) what steps have been taken to increase the small savings ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) The Revised Estimates 1992-93 for Gross and Net Small Savings Collections are Rs. 18475 crores and Rs. 5500 crores respectively.

(b) The gross and Net Small Savings Collections during April 92 to December 92 are Rs. 11750.14 crores and Rs. 2582.84 crores respectively.

(c) In order to improve the collections the rates of interest on several small savings instruments have been raised and a new instrument, namely National Savings Scheme, 1992 has been introduced.

Higher Corporate Tax

1623. SHRI SATISH PRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the corporate tax charged in India is much higher than in the neighbouring developing countries of Asia;

(b) if so, what are the details thereof;

(c) whether this is deterrent to the foreign investors; and

(d) whether Government propose to modify corporate tax structure to attract foreign investors ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) to (d) The general rate of tax applicable to foreign companies in India is 65%. However, their income from investments, i.e. interest and dividends, is taxed at a concessional rate of 25%. Further, their income from royalties and fees for technical services is taxed again at the concessional rate of 30%. These rates stand further reduced when applied to a company of a country with which India has a Touble Taxation Avoidance Agreement. A further concessional rate of tax of 10% applies in respect of certain investments by non-residents. The foregoing would indicate that while the general rate of tax is high, the specific effective rates of tax are reasonably low in India. For Foreign Institutional Investors, new proposals are contained in the Finance Bill, 1993 providing for further concessional rates of tax.

Attracting NRI Investment

1624. SHRI SATISH PRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Non-resident Indians are still ill-informed about the possibilities and facilities available for them in India for capital investment mainly due to lack of information and wrong notions about the country of their origin particularly in U.S.A. and U.K.;

(b) if so, what special measures have been taken on are proposed to be taken by Government to attract NRI investment; and

(c) what are the details of other innovative steps/measures proposed contempted to step up NRI investment during the Eight Plan period ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) No Sir. Concerted efforts are made for dissemination of information through Indian missions abroad about the facilities available for Non-resident Indians for investment in India and also about the liberalisation measures taken by the Government from time to time to openup the economy. The efforts have been well received by the NRI investors.

(b) and (c) Various measures including allowing NRI investment in housing and real estate development, permitting 100% investment with full repatriation benefits in export oriented units/star trading houses have been announced by the Government in the recent past. This is an ongoing process and would continue.